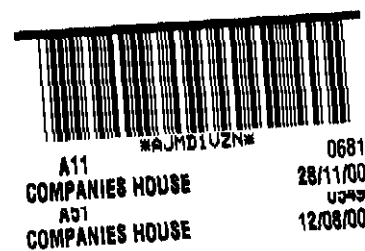


The Church of Jesus Christ of
Latter-Day Saints (LDS Social Services)

FINANCIAL STATEMENTS

for the year ended

31 December 1995



The Church of Jesus Christ of Latter-Day Saints
(LDS Social Services)
DIRECTORS AND OFFICERS

DIRECTORS

A K Broadway
R J Mawle
W G Reeves

SECRETARY

A K Broadway

COMPANY NUMBER

1346482 (England and Wales)

REGISTERED OFFICE

751 Warwick Road
Solihull
West Midlands
B91 3DQ

AUDITORS

Baker Tilly
Chartered Accountants
Scottish Life House
154 Great Charles Street
Birmingham B3 3HN

BANKERS

Midland Bank Plc

The Church of Jesus Christ of Latter-Day Saints

(LDS Social Services)

DIRECTORS' REPORT

The directors submit their report and the financial statements of The Church of Jesus Christ of Latter-Day Saints (LDS Social Services) for the year ended 31 December 1995.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activities of the company are to arrange for the adoption and fostering of children and the provision of counselling services. No change is envisaged in the future.

RESULTS AND DIVIDENDS

The expenditure for the year has been met by a subsidy from the Corporation of the President of the Church of Jesus Christ of Latter-Day Saints and the Corporation of the Presiding Bishopric.

The directors do not recommend the payment of a dividend.

DIRECTORS

The following directors have held office since 1 January 1995:-

A K Broadway
R J Mawle
W G Reeves

Mr A K Broadway retires by rotation and, being eligible, offers himself for re-election.

DIRECTORS' INTERESTS IN SHARES

None of the directors had, at any time during the year, a beneficial interest in the share capital of the company.

FIXED ASSETS

The changes in fixed assets during the year are explained in note 3 to the financial statements.

AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

By order of the board

A K Broadway
A K Broadway

Secretary

24 April 1998

The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT TO THE MEMBERS OF
THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (LDS SOCIAL SERVICES)

We have audited the financial statements on pages 5 to 12.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1995 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Baker Tilly

BAKER TILLY

Registered Auditor
Chartered Accountants
Scottish Life House
154 Great Charles Street
Birmingham
B3 3HN

24 April 1998

The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

INCOME AND EXPENDITURE ACCOUNT for the year ended 31 December 1995

	<i>Notes</i>	1995 £	1994 £
TURNOVER		4,743	4,595
Administrative expenses		(194,834)	(183,527)
Subsidy from parent company		190,091	178,932
		<hr/>	<hr/>
Result for the financial year	1	-	-
Retained reserves brought forward		-	-
		<hr/>	<hr/>
RETAINED RESERVES CARRIED FORWARD		-	-
		<hr/> <hr/>	<hr/> <hr/>

The result for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Income and Expenditure Account.

The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

BALANCE SHEET

31 December 1995

	Notes	1995 £	1994 £
FIXED ASSETS			
Tangible assets	3	19,991	23,990
		<hr/>	<hr/>
CURRENT ASSETS			
Debtors	4	13,603	26,512
Cash at bank and in hand		47,361	17,709
		<hr/>	<hr/>
		60,964	44,221
CREDITORS: Amounts falling due within one year	5	80,855	68,111
		<hr/>	<hr/>
NET CURRENT LIABILITIES		(19,891)	(23,890)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		100	100
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	6	100	100
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS		100	100
		<hr/>	<hr/>

Approved by the board on 24 April 1998

A K Broadway

A K Broadway

Director

The Church of Jesus Christ of Latter-Day Saints
(LDS Social Services)

CASH FLOW STATEMENT

for the year ended 31 December 1995

	<i>Notes</i>	1995 £	1994 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	9a	42,090	6,748
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(12,437)	(9,564)
Sale of tangible fixed assets		-	3,700
Net cash outflow from investing activities		(12,437)	(5,864)
INCREASE IN CASH AND CASH EQUIVALENTS	9b&c	29,653	884

The Church of Jesus Christ of Latter-Day Saints

(LDS Social Services)

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention. In accordance with applicable accounting standards.

DEPRECIATION

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Motor vehicles	25%
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TURNOVER

Turnover represents the amount received for services provided. The directors consider that an analysis of the turnover by class of business and geographical area is not appropriate.

The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 1995

1	RESULT FOR THE FINANCIAL YEAR	1995 £	1994 £
	This is stated after charging/(crediting):-		
	Depreciation on owned assets	11,234	10,799
	Auditors' remuneration	1,500	1,500
	Loss/(profit) on disposal of tangible fixed assets	5,202	(1,608)
		<u> </u>	<u> </u>

2	EMPLOYEES	1995 No.	1994 No.
	The average weekly number of persons (including directors) employed by the company during the year was:		
	Directors	3	3
	Counsellors	4	4
	Office staff	2	2
		<u> </u>	<u> </u>
		9	9
		<u> </u>	<u> </u>

	1995 £	1994 £
Staff costs for the above persons:		
Wages and salaries	114,496	108,604
Social security costs	10,853	9,509
Other pension costs	12,685	11,038
	<u> </u>	<u> </u>
	138,034	129,151
	<u> </u>	<u> </u>

DIRECTORS' REMUNERATION

None of the directors who served during the year ended 31 December 1995 received remuneration from this company, nor was any charge made to the company for their services by any other group company.

The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 1995

3 TANGIBLE FIXED ASSETS

	<i>Motor vehicles £</i>
Cost	
1 January 1995	43,198
Additions	12,437
Disposals	(10,697)
	<hr/>
31 December 1995	44,938
	<hr/>
Depreciation	
1 January 1995	19,208
Charged in the year	11,234
Disposals	(5,495)
	<hr/>
31 December 1995	24,947
	<hr/>
Net book value	
31 December 1995	19,991
	<hr/>
31 December 1994	23,990
	<hr/>

4	DEBTORS	1995 £	1994 £
	Due within one year		
	Amounts due from group undertakings	13,534	26,443
	Amounts due from associated undertakings	69	69
		<hr/>	<hr/>
		13,603	26,512
		<hr/>	<hr/>

5	CREDITORS: Amounts falling due within one year	1995 £	1994 £
	Amounts due to associated undertakings	80,855	68,111
		<hr/>	<hr/>

The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 1995

6	SHARE CAPITAL	1995 £	1994 £
	Authorised 100 ordinary shares of £1 each	100	100
		<u>100</u>	<u>100</u>
	Allotted, issued and fully paid 100 ordinary shares of £1 each	100	100
		<u>100</u>	<u>100</u>
7	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	1995 £	1994 £
	Result for the financial year	-	-
	Opening shareholders' funds	100	100
		<u>100</u>	<u>100</u>
	Closing shareholders' funds	100	100
		<u>100</u>	<u>100</u>
8	ULTIMATE HOLDING COMPANY		
	The company is owned by the Church of Jesus Christ of Latter-Day Saints (LDS Social Services), a company incorporated in the United States of America. Assurances of continued financial support have been received from this company.		
9	CASH FLOWS	1995 £	1994 £
a	Reconciliation of operating deficit to net cash inflow from operating activities		
	Operating deficit	-	-
	Depreciation	11,234	10,799
	Loss/(profit) on sale of fixed assets	5,202	(1,608)
	Decrease/(Increase) in debtors	3,288	(18,936)
	Increase in creditors	22,366	16,493
		<u>42,090</u>	<u>6,748</u>

The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 1995

9 CASH FLOWS *(continued)*

b	Analysis of changes in cash equivalents during the year	1995	1994	
		£	£	
	Balance at 1 January 1995	17,709	16,825	
	Net cash inflow	29,653	884	
		<u>47,362</u>	<u>17,709</u>	
	Balance at 31 December 1995	<u>47,362</u>	<u>17,709</u>	
c	Analysis of balances of cash and cash equivalents as shown in the balance sheet	1995	1994	Change
		£	£	in year
	Cash at bank and in hand	47,362	17,709	29,653
		<u>47,362</u>	<u>17,709</u>	<u>29,653</u>
	Cash at bank and in hand	1994	1993	Change
		£	£	in year
	Cash at bank and in hand	17,709	16,825	884
		<u>17,709</u>	<u>16,825</u>	<u>884</u>